



Fiscal Note

Drafting Number:	LLS 24-0358	Date:	January 10, 2024
Prime Sponsors:	Sen. Bridges; Simpson Rep. Martinez; McCormick	Bill Status:	Senate Agriculture
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Bill Topic: **AUTHORIZING CONSERVANCY DISTRICT WATER MANAGEMENT**

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill expands the allowable purposes for which the courts may establish a conservancy district, and expands the powers of the board of directors of a water conservancy district. Beginning in FY 2024-25, the bill will have a minimal impact on state revenue and expenditures, and allow a statutory public entity to establish an enterprise and increase revenue.

Appropriation Summary: No appropriation is required

Fiscal Note Status: The fiscal note reflects the introduced bill, as requested by the Water Resources and Agriculture Review Committee.

Summary of Legislation

This bill adds commercial uses to the purposes for which a district court may establish a conservancy district. Under current law, courts may only establish a conservancy district for agricultural, municipal, or industrial uses.

The bill also expands the powers of a board of directors of a water conservancy district to:

- participate in a plan for augmentation and, in conjunction with the plan, manage, control, deliver, use, and distribute water;
- contract services for the use and reuse of water and the retirement of wells;
- enter long-term contracts with public and private entities, and avail itself of public assistance from federal, state, and local governments; and
- establish a water activity enterprise.

State Revenue and Expenditures

The bill may minimally increase workload and administrative revenue in the Judicial Department to consider and establish new conservancy districts seeking to manage water for allowable purposes, including commercial purposes.

Local Government

The bill expands the powers of a board of directors of a water conservancy district, permitting additional management activities, contractual authority, and the ability to create a public enterprise supported primarily through activity fees, and without constitutional revenue limitations for the district.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

Law

Local Affairs